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# Farm Broadcasters Letter



Letter No. 2215

May 30, 1985

## BLOCK TO EUROPE

Sec'y of Agriculture John Block will visit the Netherlands, Belgium and France June 6-11 to attend the World Food Council meeting and to discuss farm products trade issues between the U.S. and European Community. Block said, "We face many issues regarding the agricultural trade relationship between the U.S. and the EC. There is no substitute for face-to-face discussions. I am hopeful we can take steps toward easing tensions on both sides through open discussion."

## TAX REFORM & AGRICULTURE

"The tax reform plan announced by President Reagan will greatly benefit the U.S. economy--and that includes the farm sector," according to Sec'y of Agriculture John Block. "The new plan will benefit most family farmers by lowering tax rates, increasing personal exemptions and reducing incentives for what I call 'tax loss farming.'" Block listed some specific points of the new tax plan that are important to the agricultural sector:

--First, about 3/4 of all farm proprietors will fall in the new 15 percent tax bracket. In the past, only about half fell in this bracket. Lower tax rates and the increase in personal exemption will offset the new limits on some deductions and credits.

--Second, reductions in the individual maximum tax rate to 35 pct. and the new limits on some deductions and credits will reduce the attractiveness of tax shelter investments. This "tax-loss" farming has contributed to excessive production capacity for some commodities, reducing the overall financial health of the farm sector.

--Third, under the plan, farm investments now will be based more on prospective returns and less on tax benefits. The new tax depreciation system will be based on the economic depreciation of assets. Deductions will be indexed for inflation.

## E. EUROPE GRAIN RECORD

A record 1984 grain production in Eastern Europe, estimated at 114 million tons, was 13 pct. greater than in 1983 and represented the third consecutive harvest about 100 million tons, according to the U.S. Department of Agriculture. Higher wheat production, up 10 pct. and coarse grain output, up 10 pct., accounted for the largest harvest ever in the region. Total feed supplies in Eastern Europe were much improved over the previous year. Grain imports fell by an estimated 23 to 29 pct., and exports were just slightly above 1983's level. Direct U.S. grain exports, mostly corn, were down 21 pct.

2 PCT. MORE  
CATTLE ON FEED

Cattle on calves on feed May 1 for the slaughter market in the 7 States preparing monthly estimates totaled 7.5 million head, up 2 pct. from a year ago and 4 pct. more than May 1, 1983, according to the U.S. Department of Agriculture. Marketings of fed cattle during April totaled 1.6 million, a 5 pct. increase from last year and 9 pct. above April two years ago. Placements of cattle and calves on feed in the 7 States during April totaled 1.42 million, 6 pct. below last year and 10 pct. below 1983. (For more statistical information, call 202-447-6880.)

EGGS & CHICKENS  
OR CHICKENS AND  
EGGS

The nation's laying flocks produced 5.67 billion eggs during April 1985, up 1 pct. from the 5.64 billion produced a year ago, according to the U.S. Department of Agriculture. Production included 5.05 billion table or commercial type eggs and 627 million hatching eggs. An average of 274 million chickens did the laying. (For more statistical information, call 202-447-2323.)

P.L. 480 -  
\$7 MILLION TO  
MOZAMBIQUE

An authorization to purchase \$7 million worth of U.S. rice under Public Law 480 has been issued to Mozambique, according to the U.S. Department of Agriculture. Authorization MA-7010 provides for about 25,000 metric tons of long, medium or short grain milled rice, or brown rice for processing, packed in polypropylene or burlap bags, or in bulk. Such rice shall grade U.S. No. 5 or better and shall contain not more than 20 pct. broken kernels. For more information, contact P.L. 480 Operations Division, FAS, USDA, Washington, D.C. 20250. Telephone (202) 447-5780.

FOREST SERVICE  
AND BLM - LAND  
INTERCHANGE

National hearings in 25 cities will be held June 19-28 on the proposed interchange of certain lands and minerals responsibilities between the U.S. Department of Agriculture's Forest Service and the U.S. Department of the Interior's Bureau of Land Management. Written comments will also be accepted for a 30-day period beginning June 7 and ending July 8.

AVIAN FLU  
ERADICATED

Avian influenza was officially declared eradicated from the U.S. on May 29 by the U.S. Department of Agriculture. According to Karen Darling, dep. asst. sec'y for marketing and inspection services, "This is a major achievement in the annals of animal health history...USDA worked successfully with state and industry officials to fight a common problem." All restrictions on interstate movement of poultry and related items are removed.

RED MEAT  
PRODUCTION

Commercial red meat production for the U.S. in April 1985 totaled 3.29 billion pounds, up 7 pct. from April 1984, according to the U.S. Department of Agriculture. Jan.-Apr. red meat production, at 12.8 billion pounds, was up 1 pct. from last year. Beef was up 2 pct.; veal, 5 pct.; pork, down 1 pct.; lamb and mutton, down 7 pct. (For more statistical information, call 202-447-6880.)

FROM OUR  
TELEVISION  
SERVICE

**EXPORT ENHANCEMENT PROGRAM...** Tom Kay, Deputy Undersecretary for International Affairs and Commodity Programs, focuses on the export enhancement program designed to expand sales of U.S. agricultural products to targeted markets. Jim Johnson interviews. (391)

**OIL CROPS OUTLOOK...** USDA economist Roger Hoskin examines the situation and outlook for oil crops this year, including production in the U.S., exports and the supply and demand forecast. Jim Johnson interviews. (392)

**MEDFLY UPDATE...** Dick Cowden, with USDA's Animal and Plant Health Inspection Service, takes a look at the current Mediterranean fruitfly infestation in Florida and efforts underway to control this insect pest. DeBoria Janifer interviews. (393)

**WORLD AGRICULTURAL SUPPLY AND DEMAND ESTIMATES...** USDA economist Jim Cole comments on the agricultural supply and demand reports published each month by the Department and their importance to agriculture. Don Elder interviews. (394)

**WORLD WHEAT AND FEED GRAIN ESTIMATES...** USDA economist Jim Cole continues his discussion of the world agricultural supply and demand estimates, focusing on wheat and feed grain production around the world. Don Elder interviews. (395)

HEARINGS ON  
MILK MARKETING  
ORDERS

The U.S. Department of Agriculture will hold an emergency public hearing June 25 on proposals to amend 12 federal milk marketing orders in the southeastern states. The hearing will be held in Atlanta, Ga. at a site to be announced.

CONTROL OVER  
INSPECTION  
BRANDS

Effective June 24, the U.S. Department of Agriculture is tightening its control over the production of meat inspection branding devices to give further assurance that uninspected products do not enter the market channels. Under the new rule, manufacturers of branding devices must obtain authorization certificates from USDA before making any brands, and branding devices must be marked with a permanent identifying number which will be recorded on the certificate.

ACIDITY &  
ALKALINITY  
OF LAKES

The U.S. Department of Agriculture's Forest Service and the Environmental Protection Agency have agreed on a method to test the acidity and alkalinity levels of lakes in the West. Forest Service personnel traveling by horse or on foot will collect water samples from wilderness lakes administered by the USDA. The Environmental Protection Agency will use helicopters to collect water samples from lakes outside of wilderness areas. The hope is that this data collection approach will give a good starting point for assessing the future impact of acid rain on these lakes.

OFF MIKE

Sec'y of Agriculture John Block will visit The Netherlands, Belgium and France, June 6-11, to attend the World Food Council meeting and to talk about trade issues with EC officials. Four farm broadcasters will make the trip with him: Dave Russell (WOWO, Fort Wayne, IN), Stu Ellis (WSOY, Decatur, IL), Ed Johnson (Agri Br Net, Columbus, OH), and Ned Arthur (Ind Rural Radio Net, New Palestine, IN) ... Lafe Williams has been assigned the duties of coordinating KCMO's coverage of markets and ag news in Fairway, KS. Lafe moved into the job when Paul Pippert moved back to WIBW, Topeka, KS ... Joe Cornely (WRFD, Columbus, OH) reports that Mike Ramsey joins his staff as Associate Farm Director, June 3. Mike was with the Agri Radio Net, Little Rock, AR ... Incidentally, Joe Cornely reports that our Gary Crawford (USDA Radio Service) "done good" when he again visited WRFD and co-hosted the daily hour "Noon News" show with Joe. Gary did the same thing last year while on another working trip to the Midwest ... Mark Hays (KKYN, Plainview, TX) reports he has a new assistant farm director. He is Scott Dewald. Scott just graduated from Oklahoma State University with a degree in agricultural communications ... And Mike Perrine (WJIL, Jacksonville, IL) reports that Barbara Baylor will be joining his staff as Associate Farm Service Director, June 3. She was a recent NAFB Scholarship winner ... And finally a reflection (once again) on the "bus to Europe" we reported on some time back regarding a farm tour. Recently NAFB president Johnnie Hood (WPTF/So. Farm Net, Raleigh, NC) was heard to speculate that the "bus to Europe" was a lot like an omnibus farm bill: "It won't float, either." We'll be seeing Johnnie at the SE Regional NAFB meeting in Asheville, NC, this weekend, along with a lot of others, so we'll have more to report next week.

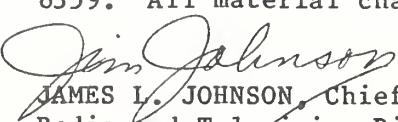
FROM OUR RADIO SERVICE

AGRICULTURE USA #1461...(Weekly 13½ min documentary) It was called Squig in the late 60's. It was a shantytown of tarpaper shacks, outhouses and standing water everywhere. Today it's called South Guthrie, Tenn., and it has tidy rows of red brick ranch houses and paved streets. Brenda Curtis tells the story with the help of SCS Area Officer Billy Smith and Pres., South Guthrie Community Improvement Association, Clyde Kilgore.

AGRITAPE/FARM PROGRAM REPORT #1450...(Weekly reel of news features) USDA news highlights; President Reagan's tax reform plan; Blame it on the soybean; Hard times for cattle farmers; Secretary announces export bonus program.

CONSUMER TIME #943...(Weekly reel of five 2½-3 min features) Goodbye Squig...Hello South Guthrie; Sweet possibilities; Missing children; Recipe for catastrophe; New food products.

USDA RADIO NEWS SERVICE...Wed, June 12, Foreign Ag. Trade of the U.S.; Fri, June 14, Milk production report; Mon, June 17, Agricultural outlook report; Tues, June 18, Weekly weather and crop outlook. Dial the USDA National News Line 202/488-8358 or 8359. All material changed at 5 p.m. EDT each working day.

  
JAMES L. JOHNSON, Chief  
Radio and Television Division